

Health care sharing ministries offer insurance alternative

By Shari Rudavsky, The Indianapolis Star
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INDIANAPOLIS -- Ellery Hunsley doesn't have health insurance. But eight years ago, when his daughter went through treatment for a brain tumor, the assistant pastor at a local church didn't worry about the medical bills.

Hunsley paid every bill out of pocket, largely thanks to the help of strangers -- people who, like himself, participate in an alternative to insurance, a health care sharing ministry.

Unlike most uninsured Americans, Hunsley will not have to buy health insurance or risk paying a fine under the dictates of the Affordable Care Act. He and other members of health care sharing ministries are among the minority to be exempted from the individual mandate that begins in 2014. No one views health care sharing ministries as a solution to the problem of how to provide care for as many people as possible. But their existence represents a creative approach that has worked for a small minority for more than two decades.

Health care sharing ministries stem from the New Testament concept that people must share one another's burdens.

In these ministries, members pay a monthly fee that gets dispersed to a member who needs help paying medical bills. Depending on the ministry, the money may go directly to the family in need or through the ministry.

Most of those who opt to belong lack affordable insurance through an employer. Ministry members must attest they are good Christians and live life accordingly.

"I don't think it would work without the faith element," said Tony Meggs, president and chief executive officer of Christian Care Ministry, one of the three large health care sharing ministries. "I don't think that ultimately it would work outside of this collective moral agreement with each other, that commandment in Galatians that we're required to carry each other burdens."

Hunsley found out how well the system can work. His daughter Autumn, now 16, was diagnosed in 2004 with a brain tumor and required brain surgery.

Before they knew it, the family had racked up about \$300,000 in medical bills. And, the family did not have catastrophic insurance, as they thought, but only \$100,000.

Hunsley turned to Samaritan Ministries, of which he had been a member for about four years.

"I thought I was going to lose everything," Hunsley said. "I started praying and called them and talked to them and told them what was going on."

The organization saw to it that all the bills were paid, asking others to help by sending additional funds that month.

"It was just Christian people helping Christians," said Hunsley, a pastor at Indianapolis Baptist Temple.

In addition to money, the strangers sent hundreds letters to Autumn, and some still check in regularly.

Hunsley estimates he has paid close to \$400,000 for Autumn's initial treatment and follow-up care, including proton beam treatment two years ago for another tumor. Hunsley said much of the cost has been defrayed by his Samaritan membership.

Hospitals bill him as though he is non-insured, and he handles all the paperwork. He's responsible for paying -- as well as explaining to the clerical staff his situation.

At times, he's negotiated down the costs of the care with the medical institutions that provided it, explaining that he'll be paying cash. Often it takes him two to three months to pay the bills.

"I kind of say it's self-funding. It's not like insurance," he said.

Describing health care sharing ministries can prove complicated because each one is a little different.

Christian Care Ministry's Medi-Share program has about 50,000 members nationwide and was founded in 1993. Samaritan Ministries started the following year and now includes 20,000 households.

Christian Healthcare Ministries, another major player, did not respond to requests for an interview.

Both Medi-Share and Samaritan ask for a statement of Christian faith of any denomination.

Members also agree not to abuse alcohol or drugs, smoke or have sex outside of marriage.

About 99 percent of people who apply to Medi-Share become members, Meggs said. However, the ministry rejects some people based on pre-existing conditions, such as advanced cancer.

Some people, such as those who are obese, receive conditional memberships. The ministry connects them to a life coach who works with them to improve their health, Meggs said. If they do not make progress, eventually the program will terminate their membership.

"This is a sharing ministry, and you have a responsibility to not be an undue burden to the other members," he said.

Preventive care is not covered. Members are expected to budget and prepare for such visits, including minor things like trips to the doctor for a child's cold.

About half of Samaritan's members fall below 200 percent of the federal poverty levels and in some states would qualify for government aid, said James Lansberry, executive vice president.

Samaritan members receive information monthly telling them which family needs their shares, Lansberry said. Members send their monthly share directly to the designated family.

Medi-Share members, however, deposit their share each month into an account they hold with a credit union. Medi-Share has limited authority to move that money into the account of the members who need help paying a medical bill.

"The funds simply get moved from one account to one account," Meggs said. "You never send money to us."

Because the arrangement is outside the world of traditional insurance, they aren't regulated by any state or federal agencies.

In 2007, when Massachusetts passed a law similar to the federal Affordable Care Act, the ministries' existence was in danger. The ministries formed the Alliance of Health Care Sharing Ministries, said Lansberry, who also serves as its president. Eventually they managed to get an exemption for the 150 or so families in the state who belonged to a health care sharing ministry.

When national health care reform loomed, the ministries were positioned to ensure their existence. They made sure the federal legislation exempted their members from having to buy insurance. Health care ministries argue that no one should mistake them for insurers, saying that they're more akin to charities.

"Our ministries function very different from insurance," Lansberry said. "We don't shift risks. Our members are just sharing directly with one another."

Fearing that some departments of insurance might view the ministries as insurers, legislators in more than 20 states introduced legislation defining the ministries and exempting them from insurance regulation.

Others agree health care ministries bear little resemblance to health insurance.

Basically, it's individuals agreeing to bail each other out if they have a problem, said Timothy Jost, a professor of law at Washington and Lee University in Lexington, Va. He has researched the practice and found one instance of a person complaining that a health care ministry did not help him in his time of need.

However, Jost cautioned the practice needs to be watched closely to ensure people sign up because they believe in the concept, not as a way to shirk the individual health care mandate.

In the long run, Jost said, he doesn't see the health care ministries undermining the Affordable Care Act.

"I think they're very important to the people who belong to them," he said. "I think they're not very important in terms of the big picture, because they're pretty small."